

PROPOSED RECLASSIFICATION OF CLERICAL  
FORCE IN THE EXECUTIVE  
DEPARTMENTS.

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SUPPLEMENT TO HEARINGS

BEFORE

*H.S.*  
SUBCOMMITTEE OF HOUSE COMMITTEE ON APPROPRIATIONS  
IN CHARGE OF DEFICIENCY APPROPRIATIONS  
FOR 1907 AND PRIOR YEARS

ON

GENERAL DEFICIENCY BILL.

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# PROPOSED RECLASSIFICATION OF CLERICAL FORCE IN THE EXECUTIVE DEPARTMENTS.

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COMMITTEE ON APPROPRIATIONS,  
*Tuesday, January 15, 1907.*

## STATEMENT OF HON. CHARLES H. KEEP, CHAIRMAN OF THE COMMITTEE ON DEPARTMENT METHODS.

### CLASSIFICATION OF POSITIONS AND GRADATION OF SALARIES FOR EMPLOYEES OF THE EXECUTIVE DEPARTMENTS.

The CHAIRMAN (Mr. Tawney). I wish you would make a statement, Mr. Keep, in regard to the classification of positions.

Mr. KEEP. We have made two reports as to hours of labor, holidays, sick leave, annual leave, and the methods of granting annual leave, and all were based upon existing statutes. The things we recommend were all matters that were within the power of the Department to effect by regulation under existing law, no legislation being sought at all.

But when it came to the question of compensation in the Government service, then we came to a question which differed, and we found that the existing classification dated back fifty-three years—to 1853; that at that time the clerks were divided into four grades, the \$1,200, \$1,400, \$1,600, and \$1,800 grades, and since then the appropriation bills had provided for a large number of compensations at rates below \$1,200, and that the compensations now paid for clerical service in Washington were less than they were fifty-three years ago. That does not mean that they are less than they ought to be, necessarily.

The CHAIRMAN. Do you mean to say that the compensation below \$1,200—

Mr. KEEP (interrupting). The average has been reduced, so that the average compensation paid to clerks in Washington to-day is less than it was in 1853, on account of the large number of people in the grades below.

The CHAIRMAN. Below \$1,200?

Mr. KEEP. Yes, sir; and it seemed as though after a half a century, and with all the changes that have gone on in rates of compensation paid in private business, that it was time a new classification was made. So we have proceeded to make the classification, which starts with the lowest compensation—namely, compensation to people who do common labor and devote part of their time to the Government service, like charwomen, for instance—and then on up to the chiefs of the most

important divisions. The principle of compensation is to divide the service into main classes under named descriptions, describing with considerable detail the class of work that we find to be proper for each of these main classes, and then to provide a number of different compensations under each class with differences of compensation that shall be much smaller than the differences between the four grades now, leaving a greater difference of compensation between the main classes than there is between the different subdivisions in each case, the idea being that promotions should be more frequent, and with a much smaller advance for each promotion in the clerical service than now, a thing which every head of an office thinks would be eminently desirable.

And that promotions from class to class, involving a greater jump in compensation, should be made only where the work is changed; in other words, you divide the clerical force into four classes with under-clerks, junior clerks, clerks, and senior clerks, defining with considerable particularity the class of work which each of those clerks are expected to do, and providing four different compensations for underclerks, \$60 per year apart.

The CHAIRMAN. You say you have divided the clerical work done by the clerks into four classes?

Mr. KEEP. Yes, sir.

The CHAIRMAN. And then you specify —

Mr. KEEP. We specify the kind of work which is proper in each one of those four classes. Then you subdivide the compensation in each class and make the number of grades, differing only \$60 a year. All compensations are divisible by 12, so that in making up pay rolls they will not have to deal with cents or fractions of dollars, which in itself will save an immense amount of clerical work.

The difference of compensation between the clerks in the subdivisions of each class is \$60 a year. But when you come to jump from one class to another the difference is greater, or \$120 a year; the idea being that a promotion from one class to another should involve a change of occupation.

The greatest fault in the departmental service to-day, and the one that takes away ambition from the clerks more than any other one thing, is that people sit side by side performing the same work and drawing vastly different compensations.

That is what gives a clerk the idea that good work does not mean advancement, and that capability for doing difficult work does not mean that he is going to get paid for difficult work.

The CHAIRMAN. Taking the clerical service as a whole, you find that it can be divided with reference to the character of work under four main heads.

Mr. KEEP. Yes.

The CHAIRMAN. And promotion from one to the other would mean an advance of \$120 a year?

Mr. KEEP. If a man has proved his capacity in one of those four grades to do more difficult work than he is doing, he is entitled to be promoted to a grade ahead.

The CHAIRMAN. And that involves an increase of \$120 a year?

Mr. KEEP. Yes; and a change of work.

The CHAIRMAN. So that there will not be an increase of salary with no change of work?

Mr. KEEP. No.

The CHAIRMAN. Under these main heads you have again subdivided into four heads. Do you find from your investigation and your experience in the Departments that there is as much difference as that under each one of these main heads? You say there are four.

Mr. KEEP. In two of the main heads we have made four grades and in the other two only three grades.

The CHAIRMAN. And there is difference enough in the character of the work within each one of those grades to justify the distinction, is there; or is this \$60 a year promotion merely due to the efficiency in doing the work rather than any difference in character of work?

Mr. KEEP. The promotion in any grade, it is expected, would not be based upon difference in work done, but rather on length of service and efficiency.

We have carried the compensations for the senior clerks, the men who are doing the same difficult grade of clerical work and whose work is largely directory in character, higher than the \$1,800 grade, and I believe that that can be thoroughly justified with people who are familiar with the Departments. There are clerks who are doing grades of clerical work that require classifications much higher than the chief of an unimportant division.

It requires a knowledge of the law, of the statutes, and it requires executive ability; it requires a thorough knowledge of accounts; it requires independence of action in looking over a mass of papers and drawing a report from them which shall guide other people in their actions. It involves all the expert knowledge that the most expert people in the Departments have.

The CHAIRMAN. Have you taken into consideration in your investigation of the subject the endeavor to get away from the practice that obtains in some of the Departments at the present time of securing increases in compensation by having a man's designation changed to the more high-sounding name, like a law clerk, or something of that kind?

Mr. KEEP. We carry our compensation for senior clerks up as high \$2,100 a year, and that ought to make provision for the very people that are now seeking compensation above \$1,800 a year under special designation.

Our report contained a very interesting lot of information gathered from the records of the Civil Service Commission and elsewhere, tending to show that the Government service is likely to deteriorate in character very materially unless there is some change in the compensation paid to men doing the highest grades of work; that it is that increasing difficulty that the Government meets in getting people to come here and enter the clerical service. The number of declinations of positions by people who have passed the civil service examination, who are on the eligible list, and who are offered positions here is increasing rapidly because the best on the eligible list do not come, as they can do better, so we necessarily have to take the inferior ones. That is going to have a very serious effect upon the Government service unless it is checked.

Also it was the experience of all the Departments that they are losing every year more of the most desirable men they have, who leave the Government service and go into private employment. That is especially true in the technical branches of the service. I can give

a good illustration of that which has come under my own observation. We have just lost the chief of the engineer and machinery division of the Bureau of Engraving and Printing, he having gone into private service at a higher salary. We lost our ink maker a few months ago under the same circumstances. In the Bureau we are able to meet that difficulty by increasing the present places, because the Secretary of the Treasury has authority to do so, but in the architect's office we have lost a large part of the force because of running out of business, and the architect tells me that nearly all of the men that leave the service are receiving higher salaries in private life than they were under him; and he is finding it extremely difficult to build up his force again now when a large amount of new work is coming in and needs draftsmen, architects, and other technical employees.

The CHAIRMAN. Mr. Keep, can you state what these four main subdivisions of clerical work embrace as compared with the present classification?

Mr. KEEP. It covers the entire field from the \$900 clerk to the man who is being appropriated for under special designation above \$1,800. It covers that field.

The CHAIRMAN. Up to \$2,100?

Mr. KEEP. Yes.

The CHAIRMAN. Those four designations?

Mr. KEEP. Yes, sir. We have below the \$900 service four other classes of employees: first, employees whose work occupies only a part of the time each day, as charwomen, janitors, etc., and they are arranged in three grades, at \$240, \$300, and \$360 a year. Then employees who enter the service at an early age (14 to 18 years) and are engaged in light work, such as messenger boys, pages, and so on, at salaries of \$300, \$360, \$420, and \$480. Also employees engaged in rough and unskilled work, as laborers generally, at \$600 and \$660. Also employees whose duties are not clerical or mechanical, but require some special skill or involve personal responsibility, such as messengers, watchmen, classified laborers, sorters, counters, etc., from salaries at \$660 to \$840. And we have added here a line, which I think is an important part of the work, although it will involve some severe changes in the Department, and that is that no person whose principal duties are, as I have above stated, shall be paid over \$840.

Now, you will find people sitting side by side counting and sorting. One person may be appropriated for as a sorter and a counter, and is perhaps receiving \$600 a year, and next to that person is a clerk who is incapable of performing a high grade of clerical service, and who is sorting and counting, but has been appropriated for as a clerk and may be getting \$1,600 a year.

The CHAIRMAN. We had an illustration of that at this session of Congress with respect to telephone operators. We appropriated for them, specially designating them as telephone switchboard operators, at a compensation of \$740 a year. One of the Departments here—I will not name it—thought that they ought to have two telephone switchboard operators, so they detailed a \$1,200 clerk to act as the other switchboard operator, one of them being designated as a telephone switchboard operator and receiving \$700 a year, and the other one, who was appointed as a clerk, doing identically the same work and receiving \$1,200 a year.

Mr. KEEP. That runs through the Departments to some extent.

The CHAIRMAN. In your investigation, to what extent have you found that the most of these abuses, if not all of them, are the result of administration evils. I am referring to those that you spoke of last?

Mr. KEEP. I think they are all the result of it. Those things are the faults of administration—well, I could not say exactly that, because the appropriation bills themselves may provide different rates of compensation for the same clerks that work in different offices.

The CHAIRMAN. I think that is true.

Mr. KEEP. You will notice that I say here in the report: "No person whose principal duties are as above shall be paid over \$840. If you do not put that qualification in, they will take a person and put him at counting, which will be 95 per cent of the work, and then they will give him a little clerical work to do so as to take him out of that classification."

The CHAIRMAN. We have considerable legislation now intended to prevent some of these things, but our difficulty is in getting the heads of the Departments to enforce the law.

Mr. KEEP. I would like to read you a paragraph here from our report [reads]:

A systematic effort has been made to obtain information from business establishments of various kinds respecting the gradation and salaries of their employees, and returns were received from about fifty, including municipalities, railroads, insurance companies, large stores, and manufacturing establishments. These have been compared with similar returns in regard to the classes and salaries in the Departments. It is difficult to make a reliable comparison respecting the great mass of positions, because of the impossibility of comparing the value and effectiveness of services rendered. In general it is found that directive and supervisory agents and those using technical skill or expert knowledge are much better paid in private and corporate employ than under the Government; that the better grades of efficient and well-qualified clerical employees are somewhat better paid than are those in similar positions in the Departments, and that the lower grades of clerks, stenographers, and typewriters are better paid in the public service than in private employ.

That the lower grades of clerical employees in the Government service are better paid than persons in similar work in private employ has long been generally recognized. But the experience of administrative officers and of the Civil Service Commission in securing competent eligibles to fill the lower positions proves conclusively that the lower salaries are not sufficient to attract competent persons to the service. These positions have been found the hardest of all to fill with persons actually competent, under the standard maintained by the Commission and the Executive Departments. Thus, in the last fiscal year 1,462 persons were offered positions at less than \$900 in the Departments at Washington. Of these 442, or 30.23 per cent, declined. Positions at \$900 or more were offered to 762 persons, and 202, or 26.51 per cent, declined. Under the War Department the declinations of positions in Washington rose to 32 per cent, while the declinations of field positions reached 53 per cent. Of the 860 male eligibles on the clerical register of the Civil Service Commission, 445, or 51.73 per cent, have stated that they would not accept positions at a salary lower than \$840.

#### EFFICIENCY AND PERMANENCY IN SERVICE.

The very serious consequence of these declinations is that the most competent and desirable eligibles decline the salaries that can be offered, and it is necessary to appoint in their stead persons distinctly inferior in qualifications. This is a matter seriously affecting the quality of the personnel, since it is by promotion from the lower grades that the service is built up.

It is plain that such salaries as \$480, \$600, and \$720 a year, which have become quite common in several Departments of late, are entirely too low for any person who has passed creditably a civil-service examination for the clerical grades, and that they tend to the deterioration of the service.

Mr. KEEP. Now, there is another thing that of course you are familiar with, and it is very well stated here [reads]:

Several important conditions must be borne in mind when a comparison is urged between the small wages paid in certain lines by corporations and private employers, and the alleged high salaries under the Government. Applicants for appointment in the Department must prove a high standard of character and must pass a rigid examination to test their qualifications. Furthermore, the law apportioning positions among the States and Territories requires that many eligibles entering the service shall leave homes far distant from Washington and take up their residence in a strange city under conditions of life generally more expensive than those to which they have been accustomed.

On the other hand, most of the positions which constitute the entrance to private and corporate employ are recruited from girls and boys of the teeming population in the mill towns and commercial centers, who compete for employment as soon as they possess the rudiments of common school education, or even without that qualification, and who generally live at home, contributing to and deriving their support from the common fund. They afford no criterion for a scale of salaries to persons possessing the high degree of general education or special training now required for entrance into the Government service.

Particularly is that true with regard to the change from the home town, coming to Washington, and setting up an independent mode of life and taking care of themselves. It involves a considerable expense.

The CHAIRMAN. Have you considered the question of having any general designation of those above the \$2,100 grade?

Mr. KEEP. We thought of naming some grades for chiefs of divisions, but it is impracticable. Instead of starting a chief of division above the point of \$2,100, we thought that there are some chiefs of divisions who ought to receive less than the most expert; but the range of salaries for chiefs of divisions should be a rather wide one, and we have recommended a commencement at \$2,100 and running up to \$4,200, because we have adopted all the way through the principle of using figures divisible by twelve, which will make it much simpler in making payments and keeping the accounts.

The cost of these changes to the Government depends upon the application. Congress can say to the Departments: Carry out this scheme at an extra cost of so much per cent; and they must then cut the coat according to the cloth, for you can not carry out a scheme fairly without some extra cost. We thought in the first place of applying this scheme to a number of offices which would seem to increase the cost about  $6\frac{1}{2}$  to 7 per cent on the average, but in some other offices more than that. But it depended a great deal upon where the dividing line of the work is drawn and in what grade of compensation. You pay the compensation, you put the people in those offices in which they are assigned, and if the scheme is put in operation it must be fixed by Congress and the Department made to conform to it.

The CHAIRMAN. How could Congress require the Departments to conform, not knowing anything about the different grades of work? Say there was one grade of clerical work in one Department here where to-day there was employed in that work 40 per cent of the clerks employed in that Department, and then another grade where there was 40 per cent, and another grade 20 per cent. How could Congress fix the number that should be employed in each grade? I don't see how it is practicable. Now the Departments have to do that.

Mr. KEEP. We have had that question up, of course, and in the recommendations that we have made in the nature of this report which

have been submitted to the President and not yet made public, and which he asked me to give to you and talk about in order that you might talk to him about it, provision is made for that matter. Our recommendations are as follows [reads]:

## RECOMMENDATIONS.

1. That Congress be asked to make an appropriation of a sum equivalent to 10 per cent of the total amount provided for in the pending appropriation bills for the payment of salaries (whether statutory or paid from lump funds) of employees of each of the bureaus and offices of the Executive Departments and independent establishments in Washington, or directly on detail therefrom, for the fiscal year beginning July 1, 1907, for the purpose of adapting the compensation of such employees for that fiscal year to the schedule submitted.

2. That Congress be asked further to authorize and direct that the head of each Executive Department and independent establishment in Washington prepare a classification of positions and salaries of employees in his office in Washington, or on direct detail therefrom, in accordance with the schedule herewith submitted and within the sums appropriated for the payment of such salaries for the fiscal year beginning July 1, 1907, including the increase provided for in recommendation 1, the said classification to provide for the same number of employees and, as near as may be, with due regard to the principles of this schedule, following the same relative distribution of classes as provided for in the pending appropriation bills for the fiscal year beginning July 1, 1907. That it be further provided by Congress that such classification when formally approved by the President shall be followed in the payment of salaries in each office during the fiscal year beginning July 1, 1907, and that future estimates presented to Congress be based upon this classification.

3. That a committee be formed, composed of a representative of each Executive Department and independent establishment in Washington, designated by the head thereof, whose duty it shall be to consider the character of the work performed in the several bureaus and offices and the salaries paid therefor and to recommend such further adjustments or other measures as will bring about a general uniformity of compensation in all public offices, for the same kind of work, such recommendations to be considered in the preparation of future estimates.

Mr. KEEP. The first recommendation deals with the appropriation for each Department independently in putting this thing in operation. The third recommendation provides for something that never has been brought together, and that is for interdepartmental action looking to uniformity in the different Departments in the same kind of work. The second recommendation is not as essential as the first two.

The CHAIRMAN. It is very desirable, because it will result in uniformity of classification of work, and that is one of the great difficulties we have in appropriating. In getting at it we run across some clerks in some of the Departments that are getting 25 per cent more for doing identically the same work that is being done in another Department. But how to reach it is the great problem with us.

Mr. KEEP. There is considerable matter in this report showing increases in compensation paid in business operations throughout the country, and there is some interesting information showing increases in the cost of living and all that that bear on the question of compensation.









